

Property development fund allows investors to acquire equivalent return as investing in mutual fund, by taking the advantage of the same specialty and the portfolio management accordingly. Despite property development funds usually invest in commercial properties, it is not unseen to invest in lands, residential properties and agricultural lands. Unlike trust fund that allows short-term return, property development fund relies heavily on revaluation of property projects. With the severe shortage of land relative to the population in Hong Kong, Richfield Property Development Fund provides an opportunity for investing in property redevelopment market.

## Summary of Terms

Launch date:	June 2019
Investment product:	Real Estate
Fund structure:	Closed-end fund
Target volume:	HKD 10 billions – 15 billions (Min amount: HKD 1 billion)
Min subscription:	HKD 1 million
Term:	3 + 1 + 1 years
Management fee:	2%
High water marks:	Yes
Target return:	15%
Performance fee:	20%
Redemption fee:	0%
Subscription fee:	Up to 5%
Currency:	HKD

## Portfolio

This Fund is comprised of property redevelopment projects scattered over the prime locations in Hong Kong.

## Partner

**Richfield Group** is principally engaged in provision of property brokerage services, carrying out schemes for property consolidation, assembly and redevelopment, property trading and redevelopment.

## Investment Team

Plutus Asset Management Limited ("Plutus") is a licensed corporation with the Securities and Futures Commission to conduct Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities (BNJ533). Plutus offers professional asset management service with tailored comprehensive investment strategies, to maximize return.

Luke Cheung *Fund Director*

Cyrus Wong *Executive Director*

Vincent Cheung *Executive Director*

## Investment Objective

The Fund intends to provide investors with capital growth while mitigating the effects of market fluctuations. And at the same time to undertake a flexible investment strategy in pursuit of positive return.

## Investment Strategy

This Fund constantly evaluates the target market and project(s), strike a balance between return and risk in order to formulate the best acquisition strategy.

The Fund intends to seize the opportunity raised by the strong demand of the property market and the upsurge of property prices. Through our "acquisition - redevelopment - sale" model, we compile an outstanding property portfolio for an attractive return with adequate risk management.

## Investment Tactics

This Fund intends to acquire 80% of undivided shares of old buildings (50 years or above) in the prime locations in Hong Kong at reasonable price, and apply for compulsory sale for redevelopment from the Land Tribunal. Followed by planning, demolishing and redesigning, to redevelop projects into marketable commercial or residential property. Eventually to achieve wealth growth via revaluation of the property.

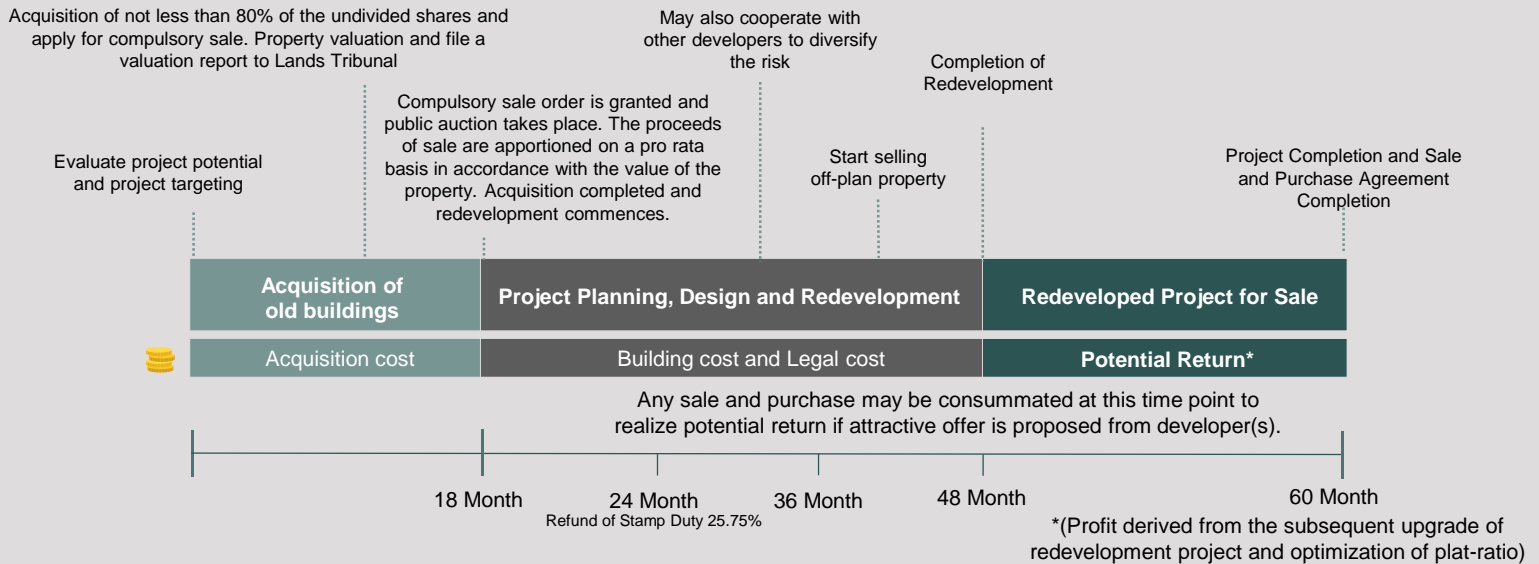
This Fund rides on the redevelopment market trend to realize potential return via unique strategic management.

Partnership with renowned and sizable developers in Hong Kong to enhance risk management, optimizing asset management.

After the Acquisition, we will continue to evaluate the market dynamics, thus to take a flexible approach in project development for more effective asset management.

## Potential Return Model

Below diagram demonstrates the return model by means of "Acquisition – Redevelopment – Sale".



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